

**HAMPTON BOARD OF SELECTMEN
SELECTMEN'S MEETING ROOM
AUGUST 6, 2007 – 7:00 PM**

PRESENT: Ben Moore, Chairman
Bill Lally, Vice Chairman
Virginia Bridle-Russell
James Workman
Rick Griffin
Fred Welch, Town Manager
Maureen Duffy, Administrative Assistant

REGRETS:

Chairman Moore called the meeting to order at 7:00PM and introduced those in attendance.

SALUTE TO THE FLAG

I. ANNOUNCEMENTS AND COMMUNITY CALENDAR

Mr. Lally announced the Pack 176 Cub Scout, Summer Festival to be held this Saturday, August 11th at Tuck Field from 11 a.m. to 4 p.m. The Festival will have many activities to enjoy; Mr. Lally suggested contacting the Recreation & Parks Department for more information.

Mr. Moore reminded citizens that the Greater Hampton Community Band is performing tonight at the Gazebo. Next Monday (August 13) evening will be their last concert of the season at Tuck Museum. Mr. Moore also noted that there will be no Selectmen's meeting next week, August 13. In addition, he announced that Colonel Paul Lessard is asking all Hampton residents who have family members in the US military serving in Afghanistan and Iraq to contact him at 926-7229 or marine@atlantic.com regarding a special project.

II. APPOINTMENTS

1. FINANCE DIRECTOR MIKE SCHWOTZER – FINANCE UPDATE

Finance Director Schwotzer reported that the Motor Vehicle Fees on a year-to-date are on budget for the fourth month in a row. The Director tracks this account closely because it provides over 40% of the Town's total income budget.

The effect of the 20% allocation of parking lot revenues has been classified in the financial statements. The revenue from parking lots is down \$8,000 this year in comparison to last year (2006 - \$240,000, 2007 - \$232,000). Mr. Schwotzer noted that this figure is expected to increase significantly even with one day of good weather for beach goers.

The Franchise Fee check has been received and recorded (25% of the money has been booked to Fund 025 – Cable Committee).

The Finance Director reported that at the end of July the operating departments (without debt service) were 4.13% or \$915,000 below budget.

The total for the Transfer Station and Solid Waste Disposal are both over budget due to the April 2007 storm costs. FEMA reimbursements will be made available through the State. Mr. Schwotzer thanked Darian Weinhold (Fire Department Secretary) for all of her diligent work to ensure that expenses from the storm were submitted, to FEMA.

Parking administration is over budget but the calculation is skewed by the short seasonality of the department. Mr. Schwotzer noted that parking is a major contributor to the Town's revenue stream.

The Police Department is well within its budget. However, the summer season is in full swing so there will be a spike in related seasonal expenses. The overage in the Mounted Patrol Expenses is due to the majority of last year's costs being covered by a Warrant Article (\$36,000) which was not repeated in the current budget cycle for 2007.

The debt service payments are not level throughout the year, each loan having its own specific payment date. In July, \$5.4 M in Tax Anticipating Notes (TANs) were paid along with its associated interest expense of \$42,000 (the default budget is \$10,000). This cycle can be expected to repeat until the second tax bills go out and are paid later in the year.

The 2006 encumbered purchase orders remain at \$503,900 but less than 35% of those dollars relate to operating expenses. Of the open Warrant Article commitments, the Woodland Road Property Purchase has \$243,000 remaining to be spent.

Mr. Griffin asked about parking revenues. Mr. Schwotzer noted that the \$8,000 difference could be made in one day of good weather. Mr. Lally mentioned that he spoke with Mr. Warburton, the Regional Park Supervisor for the Department of Economic Development (Division of Parks & Recreation) who reported that last weekend was the busiest days of the year.

Mr. Moore asked if the Finance Director is retaining the \$400,000 from the Beach Infrastructure in a separate account. Mr. Schwotzer indicated that it is in a separate account.

2. RAY LETOURNEAU – UNITIL – ALTERNATIVE ENERGY

Mr. Letourneau discussed the proposed pilot project. Unitil is planning on placing an energy generating wind turbine at the top of the utility pole that is located across from the cell tower along Route 101. The turbine will generate enough energy to power one household. The turbine is being ordered from Southwest Wind Power Company and is the first application to be placed on top of a utility pole.

Mr. Workman asked how long the pilot project is expected to run. Mr. Letourneau said that it depends on the success of the project. If the economics of the project is not feasible (i.e. maintenance costs) then Unitil will cancel the project however; if the turbine is benefiting the company then it will remain and additional units will be considered.

Mr. Workman inquired about the noise level from the turbine. Mr. Letourneau said that the noise would be minimal as the blades are only six feet long. It is likely that the highway traffic and wind would make more noise than the turbine.

It was noted that there are no zoning requirements prohibiting the placement of these structures.

Unitil sees the seacoast as a suitable location for wind turbines because of the high winds in the area. The turbine is designed to shut down if the wind is over 56 mph.

Mr. Griffin asked how the turbine would benefit Hampton. Mr. Letourneau said that theoretically, it would reduce the need for the company to purchase energy and will decrease the cost of electricity. In addition, wind energy is considered environmentally friendly.

Mr. Lally pointed out that many citizens are in favor of wind generated energy but are reluctant to have turbines in their neighborhood. Mr. Lally believes that the location is a good place for a pilot project and is pleased to see green energy being generated.

Mr. Griffin expressed his concern about wind turbines in Hampton and especially on or near the marsh. He would like to have the public have a chance to comment on the subject before additional wind turbines are installed.

3. FRED RICE – RECYCLING

Hampton resident, Fred Rice came before the Board to discuss the financial aspects of solid waste. He is very familiar with various recycling programs that have been implemented in other cities across the country.

Mr. Rice was a member of the Hampton Solid Waste Committee back in 1993 and 1994. He pointed out that Hampton has a unique situation regarding the hidden cost of waste removal. The cost of trash pickup is hidden in the tax base, making it difficult for residents to determine exactly how much they are paying for their garbage to be removed.

Mr. Rice discussed the cost of recycling and noted that companies such as Waste Management can stock pile items such as cardboard and sell it at market price. Stock piling is not an option for municipalities. Mr. Rice noted that the best way to ensure the success of a program is to make it simple, convenient and user friendly.

Mr. Rice noted that Hampton citizens who recycle do it because it is good for the environment. He believes if there was a cost incentive for residents then more people would recycle. Mr. Rice suggested weighing the garbage thrown away from each household and charge according to the weight. He believes that this system would be an incentive for more people to recycle.

Another suggestion that Mr. Rice had was the use of mechanical packers along with small cub packers for smaller streets. These packers are designed to weigh the garbage generated at each household/business.

Mr. Rice suggested that the Board consider privatizing solid waste pickup. He said that the current system lacks equality as people producing more waste are charged the same in taxes as others who generate very little. Mr. Rice also suggested that the Town discontinue commercial pickup as businesses may band together to arrange solid waste service.

The Town needs to set policies and standards to ensure that citizens are served and employees are taken care of. Mr. Rice noted that personnel are often transferred to work for the private company with the same benefits.

Mrs. Bridle-Russell said that the Town needs to carefully consider the many variables involved in contracting solid waste removal.

Mr. Workman noted that many property owners appreciate the property tax deduction on their federal income tax. He pointed out that lowering taxes by removing the hidden cost of waste removal would decrease this deduction.

Mr. Griffin said that a lot of people do not want fewer services they just want to pay less tax. He said that fewer employees would reduce the tax rate and perhaps restructuring is necessary. Mr. Griffin suggested that if trash removal is privatized then perhaps other components of the departments could be privatized as well. He also suggested that a panel of business owners from Route 1 and the beach be invited to a Selectmen's meeting to discuss the subject of solid waste removal.

Mr. Moore also pointed out that many of the employees who work on the garbage crews during the summer months also plow snow in the winter.

The subject of solid waste removal may need to go on the ballot for voters to decide.

Mr. Lally noted that there are many problems that need to be identified and discussed about privatizing solid waste management. He believes that residents need to be educated about recycling.

Mr. Griffin asked about funding from the U.S. Environmental Protection Agency (EPA) for recycling programs. Town Manager Welch said that significant funding is available mainly for mandatory recycling programs (requires a Town vote).

III. MINUTES – JULY 23, 2007

Approved as distributed

IV. OLD BUSINESS

1. TOWN MANAGER'S REPORT

The 2008 Municipal Budget proposals are due from Town Departments to the Town Manager's office on August 15, 2007. The financial budget (statistics only) will be presented to the Selectmen on September 10, 2007 for their review and action.

The 2007 Municipal Budget Workshop will be held on September 25th in Bedford and on September 27th in Lincoln, New Hampshire. The Town Manager has registration forms available for any of the Selectmen interested in attending.

The State Commissioner of Safety has denied the request of a group who appealed the ban on Jet Skies in the local salt marshes. The next venue will be the New Hampshire Superior Court.

FEMA has notified the Town that it will not honor claims for the loss of motor vehicles during the April Nor'easter. The Town must therefore bear the entire cost of replacing the two vehicles in the Fire Department. The Town Manager has instructed the Emergency Management Office to appeal the decision. Mr. Welch requested the Board's permission to award the bids and acquire the equipment so that inspection and other services of the Fire Department may continue. There are two pickup trucks that were bid on for a total of \$38,714.00.

The Board should be advised that Chapter 246 of the Acts of 2007 requires the Board to annually review and adopt an investment policy with the Town Treasurer.

SELECTMEN'S RESPONSE TO THE TOWN MANAGER'S REPORT

Mr. Griffin mentioned that he would like to partake in the Municipal Budget Workshop. Mr. Welch will provide the registration form to Mr. Griffin.

Mr. Griffin asked if the FEMA funding appeal process will work. The Town Manager explained that the Town was originally told that funding would be forthcoming for the two fire vehicles. He is hopeful that the appeal will be successful. Mr. Griffin asked why the Town's insurance company did not cover the expense of replacing the vehicles. Mr. Welch explained that the insurance company does not cover flood damaged items. Mr. Griffin questioned why the two vehicles were not moved out of the flood waters. Mr. Griffin would like to research other insurance company options.

Mr. Lally asked where the \$38,000 would come from. Mr. Welch explained that the figure would be taken from the Fire Department and that the Department would be over budget. The appeal process has begun but the Town Manager is doubtful that the Town will be reconsidered for reimbursement.

Mrs. Bridle-Russell asked if the vehicles were parked at the Fire Station. Mr. Welch confirmed that they were parked at the station while employees were out on emergency calls (i.e. evacuating citizens) and believes that no one anticipated that the vehicles would be completely destroyed.

Mr. Welch noted that within the next 10 days the state will receive FEMA funds that will be disbursed to towns affected by the April flood.

Mr. Moore inquired about the 2008 budget process. Mr. Welch explained that the budget will be presented to the Board on September 10th for their review, and that no decisions will be made until the Selectmen have the opportunity to thoroughly review the documents.

Mr. Moore asked who will be drafting the investment policy. Mr. Welch explained that there is a provision in RSA 41 that states that municipalities are to have a set policy, annually. He asked how the Board would like for him to proceed. Mr. Moore said that there is a need for a policy on capital and operating funds. He asked the Town Manager to discuss creation of the policy with the Town Treasurer.

Mr. Griffin suggested that the Insurance Committee be contacted to review the current insurance policy and determine if the Town should consider different options.

Mr. Workman MOTIONED to award the bid for the two Fire Department vehicles and to use all reasonable efforts to seek reimbursement. **Mr. Bridle-Russell SECONDED.**

DISCUSSION:

The Fire Chief has indicated that these vehicles are needed for fire inspections. The money for the damaged vehicles will come from the bottom line of the budget (\$900,000).

**VOTE: 3 FOR
OPPOSED – Lally & Griffin**

OLD BUSINESS CONTINUED

Mr. Griffin finds it hard to believe that the electric company is working to reduce the cost of power by adding wind turbines to the grid. He believes that wind turbines are a burden to Hampton and that public input is necessary before additional windmills are set up. Mr. Griffin also said that he thinks the turbines are ugly and are a disruption to the bird refuge. He asked the Town Manager if Unitil would have to pay the Town for using the wind turbines within Hampton. Mr. Welch said that Unitil pays according to the property to which the poles are built on and not the utility pole. The Town Manager noted that at this time there is no regulatory control in Hampton because there is no zoning ordinance. An ordinance could be developed and placed on the ballot for residents to decide.

Mr. Lally believes that the wind turbines are great and it is nice to see the use of green energy.

IV. NEW BUSINESS

Mrs. Bridle-Russell asked about the status of dog licenses. Mr. Welch reported that there are 400 dogs still unlicensed. If dog owners refuse to license their dogs they will eventually go to court where additional fees and fines will be applied.

Mr. Workman asked about the status of the sewer connection in the beach area. Mr. Welch reported that there are only seven properties that are not connected. It was the consensus of the Board to send a letter to each of the property owners informing them that the Town is in the process of closing the old sewer lines down as soon as possible (as determined by the Public Works Department and the Town Manager).

Mr. Griffin asked if the Town Manager has received any complaints regarding the proposed amusement device ordinance. Mr. Welch said that he received one complaint from a resident who did not own a machine.

VI. CONSENT AGENDA

1. Request for Sidewalk Sale - Seafood Festival
2. Parade License
3. Welfare Lien
4. Discretionary Barn Easement
5. Dance Hall Permit
6. Block Party
7. Lions Club Yard Sale – Use of Parking Lot Request
8. Town Energy Committee – Mission Statement Approval
9. Bench Request – Approval Condition Upon Property Owner Release

Chairman Moore pulled the block party and bench request from the consent agenda. He would like to have something in writing indicating that all of the neighbors along Fielding Lane have been notified and have consented to the Block Party. In regard to the bench request, Chairman Moore would like confirmation from the water company permitting the placement of the bench (south side of the frontage of the property). Town Counsel is seeking a release from Aquarion.

Mr. Workman MOTIONED to accept the remaining consent agenda as presented. **Mrs. Bridle-Russell SECONDED.**

VOTE: UNANIMOUS FOR

VII PUBLIC COMMENTS

Charlie Preston (47 Glade Path) noted that people want to recycle and that they need to know what to do with various materials. He also suggested that recycling dumpsters at various sites around Town to make it more user friendly. Mr. Preston would also like to see less glass items used at the beach and discussed the weight of the various bottles. Mr. Preston suggested that the Town consider a mandatory recycling program. He encouraged the Board to talk to the businesses in Town and develop a program that works to benefit all.

VIII. CLOSING COMMENTS:

None

IX. ADJOURNMENT

Mrs. Bridle-Russell MOTIONED to adjourn at 9:26 p.m. **Mr. Workman SECONDED.**

VOTE: UNANIMOUS FOR

Chairman